THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) Petronet LNG Limited (PLL), a Joint Venture Company promoted by IOC, ONGC< GAIL and BPCL, is setting up LNG terminal at Kochi, Kerala. The mechanical completion of the project is expected by December, 2009. As per the present status, the land for the project has been allotted; various pre-project activities have been completed; statutory clearances for the project have been obtained and the work related to infrastructural facilities has started.

(c) and (d) The date of stone laying ceremony, which was earlier fixed for 8th February, 2006, was postponed due to administrative reasons.

(e) The LNG requirement for the receiving terminal at Kochi is 2.5 MMTPA. Negotiations are currently ongoing with the LNG Liquefaction Project in Gorgon, Australia, scheduled for commissioning in early 2010. PLL receiving terminal is also scheduled for commissioning in December, 2009. Therefore, LNG for Kochi Terminal would be received from Gorgon, Australia. However, should there be any delay in commencement of supplies from Gorgon, Australia. PLL envisages to divert appropriate quantities of LNG from their Dahej Terminal to Kochi Terminal.

(f) Does not arise.

(g) Stone laying ceremony for Kochi LNG Terminal will be held as per the convenience of the high dignitaries.

Oil refinery at Bhatinda

1579. SHRI VARINDER SINGH BAJWA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the work on Bhatinda oil refinery in Punjab is going on as per schedule; and

(b) if so, the status of the project?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) The refinery Project at Bhatinda (Punjab) is being implemented by Guru Gobind Singh Refineries Limited (GGSRL), a subsidiary company of Hindustan Petroleum Corporation Limited (HPCL). Government of Punjab have signed a Deed of Assurance with GGSRL in August, 2005 and the project activities have commenced.

About 1,996 acres of land has been acquired at Bhatinda for the refinery. Major activities completed within the refinery premises include (i) site grading of 1,600 acres of refinery land (ii) area lighting system (iii) construction and drinking water system (iv) 31 kms. of drain. Raw water channel of 12 kms. to the refinery site has also been completed. Road network (internal and external) has been completed. Right of user through the entire length of crude oil pipeline of more than 1,000 kms. has been obtained. the Company has acquired 31 acres of land at Mundra, Gujarat for crude oil terminal, and has also secured a ti-up with port authorities.

The project is likely to be completed in the financial year 2010-2011.

Petroleum Economic Zone

1580. SHRI R.P. GOENKA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that recently a proposal has been mooted to set-up an exclusive Petroleum Economic Zone for service providers in the oil and gas industry, with a view to pooling in knowledge from diverse public, private and foreign institutions about India's geology and using it to attain energy security; and

(b) if so, the details thereof and its present status?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) In view of India's export earnings of over Rs. 28,000 crore from petroleum products in 2004-05, Indian Oil Corporation Limited (IOCL) was asked to prepare a detailed feasibility study on making India as an investment destination for refineries, in particular export-oriented refineries, aimed at promoting India as the refining hub of South Asia/South-East Asia. The study was carried out by IOCL alongwith M/s. Shell Global Solutions International B.V. IOCL has submitted the feasibility report.

As per the study, an economically feasible Super Site Concept has been developed based on a Paradip type as nucleus. The concept derives competitive strength from world-class scale, integration, specialisation and long term national and site planning.

In view of the delicensing of the refinery sector since June, 1998, it is now for the Boards of Oil Public Sector Undertakings to take a decision on setting up of more Petroleum infrastructure, based on economic considerations.